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Everest Group PEAK Matrix® for Cloud Service Provider 2022 – North America

Focus on DXC Technology
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Background of the research

The COVID-19 pandemic has accelerated the pace of digital transformation and increased the adoption of cloud among enterprises. Enterprises are no longer looking at cloud just from a cost saving perspective but are considering it as an area of investment that drives value for their businesses. Clients expect services beyond cloud with the aspects of customer experience-centric design, business-led transformation, and code-based infrastructure embedded in the overall transformation play.

Hybrid and multi-cloud environments are being preferred by enterprises for complex workloads supported by agile and DevOps-based delivery. Service providers are adopting a platform-based approach instead of a service-based approach to design offerings and are approaching clients with an industry-specific cloud solutions portfolio. Enterprises are looking for partners to aid them in their end-to-end cloud adoption journey across cloud consulting, infrastructure design/build, modernization, private cloud hosting, cloud operations, and cloud security services.

In this research, we present an assessment and detailed profiles of 29 IT service providers for their cloud services capabilities in North America region featured on
Cloud Services PEAK Matrix® 2022 – North America. The assessment is based on Everest Group's annual RFI process for calendar year 2021, interactions with leading cloud services providers, client reference checks, and an ongoing analysis of the cloud services market.

This report includes the profiles of the following 29 leading cloud service providers featured on the cloud services PEAK Matrix – North America:

- **Leaders:** Accenture, Capgemini, Deloitte, DXC Technology, HCL Technologies, IBM, Infosys, TCS, and Wipro
- **Major Contenders:** Atos, Brillio, Coforge, Cognizant, CSS Corp, Ensono, Genpact, LTI, Microland, Mindtree, Mphasis, NTT DATA, Tech Mahindra, Unisys, and Virtusa
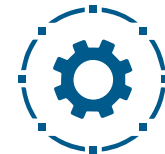- **Aspirants:** Cloudreach, GFT, Jade Global, UST, and Zensar

Scope of this report:

Geography
North America

Service providers
29

Services
Cloud Services

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Cloud services PEAK Matrix® – North America characteristics

Leaders: Accenture, Capgemini, Deloitte, DXC Technology, HCL Technologies, IBM, Infosys, TCS, and Wipro

Leaders have demonstrated extensive capabilities in delivering cloud services in North America, backed by robust delivery organizations, capability expansion, and improvements in process maturity

- These players have a balanced vision for cloud services and a focus on building innovative, tailored solutions for clients that deliver business outcomes quickly while also maximizing value from their client's existing investments in the cloud
- These players have a matured industry-specific offerings portfolio, full stack cloud capabilities, IPs and accelerators across a full spectrum of scope, investments in next-generation themes, strong hybrid and multi-cloud solutions, a comprehensive partner ecosystem, and they bring in differentiation in operating and commercial models
- All Leaders have made investments in building extensive portfolios of platforms, tools, and accelerators through acquisitions and in-house capability expansion for innovation across the cloud services value chain

Major Contenders: Atos, Brillio, Coforge, Cognizant, CSS Corp, Ensono, Genpact, LTI, Microland, Mindtree, Mphasis, NTT DATA, Tech Mahindra, Unisys, and Virtusa

Major Contenders in the cloud services space include a mix of mostly large and mid-sized service integrators

- While these players have built meaningful capabilities to deliver cloud services, their service portfolios and delivery capabilities are not as balanced as those of Leaders, which reflects in the scale of market success achieved by these players (vis-a-vis Leaders)
- These players are making targeted investments in cloud talent, delivery frameworks, internal IP, and partnerships to fix capability gaps – making them strong contenders as Leaders in cloud services

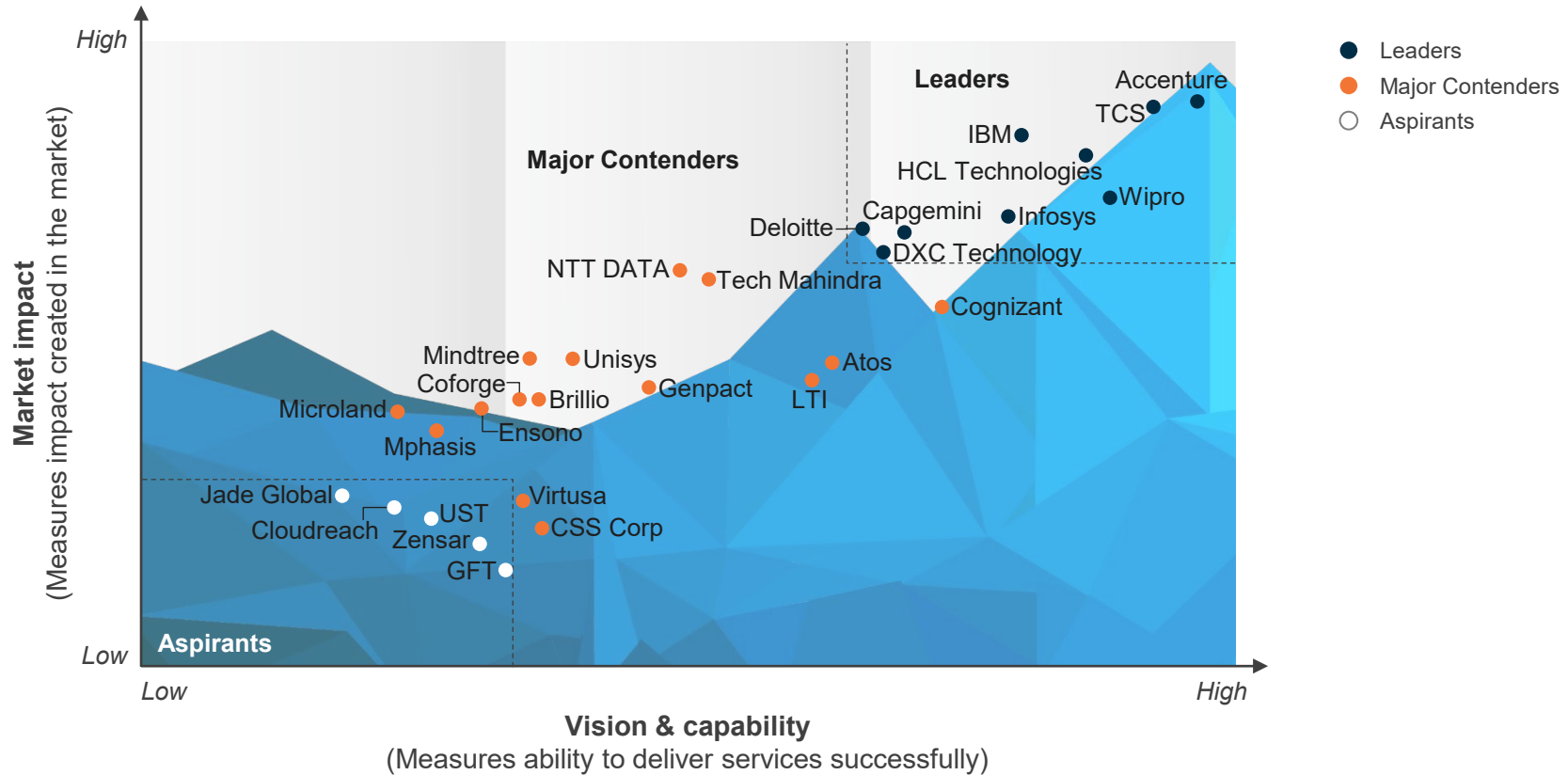**Aspirants:** Cloudreach, GFT, Jade Global, UST, and Zensar

Cloud services capabilities of Aspirants show more gaps in the balance of cloud services, maturity of internal IP, and coverage across industry verticals or geographies

- These players are, however, expanding their broader cloud capabilities through investments in IP portfolios, niche platforms, and service and technology partnerships – keeping them poised to be major challengers in the space

Everest Group PEAK Matrix®
Cloud Services PEAK Matrix® Assessment 2022 – North America | DXC Technology positioned as Leader

Everest Group Cloud Services PEAK Matrix® Assessment 2022 – North America[1]

- Leaders
- Major Contenders
- Aspirants

Leaders

Major Contenders

Aspirants

Market impact
(Measures impact created in the market)

High

Low

Accenture
TCS
IBM
HCL Technologies
Capgemini
Wipro
Infosys
DXC Technology
Deloitte
Cognizant
NTT DATA
Tech Mahindra
Atos
Mindtree
Unisys
Coforge
Genpact
Brillio
LTI
Microland
Ensono
Mphasis
Jade Global
Virtusa
UST
CSS Corp
Cloudreach
Zensar
GFT

Low — High

Vision & capability
(Measures ability to deliver services successfully)

1. Assessment for Atos and Deloitte excludes service provider inputs and is based on Everest Group's proprietary Transaction Intelligence (TI) database, ongoing coverage of these service providers, service provider public disclosures, and Everest Group's interaction with buyers.

Source: Everest Group (2022).

DXC Technology | cloud services profile – North America (page 1 of 6)
Everest Group assessment – Leader

Measure of capability: ◔ Low ● High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services	Innovation & investments	Delivery footprint	Overall
◕	◕	◔	◔	◕	◑	◕	◕	◕

Strengths

- DXC provides an end-to-end spectrum of cloud services across consulting, modernization, and operations at scale, and assists clients with offerings that are relevant for their businesses and technology requirements

- Clients looking to leverage the hybrid cloud model can benefit from DXC's credible private and hybrid cloud solution portfolio

- Its operating model of blended teams working with customer teams in an integrated squad is innovative, and enables the integration of its technical expertise with customer's business insights

- Clients appreciate DXC Technology's efforts to engage in joint innovation, ideation, project formulation sessions, and workshops that help clients identify appropriate cloud solutions

Limitations

- DXC's engagements are skewed toward private cloud and cloud manage & run services; clients will find it lagging peers in its digital transformation & modernization portfolio and value proposition messaging

- Although it possesses capabilities in next-generation technology themes and has implemented client-specific solutions, it needs to invest in industrialized and templatized solutions on cloud for IoT & blockchain, and edge computing services

- Clients believe that DXC Technology needs to offer greater solutioning flexibility and effective cost management

- Clients have highlighted the lack of proactive value-addition and transformative push in engagements as areas of improvement
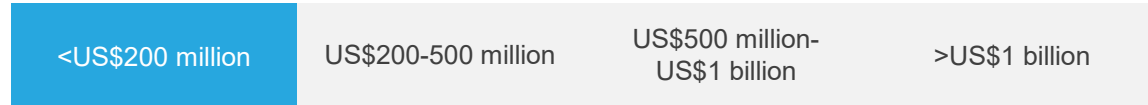
DXC Technology | cloud services profile – North America (page 2 of 6)
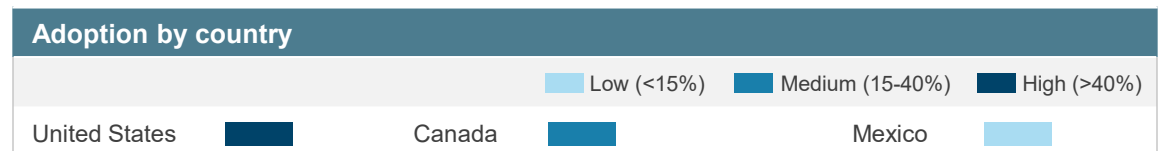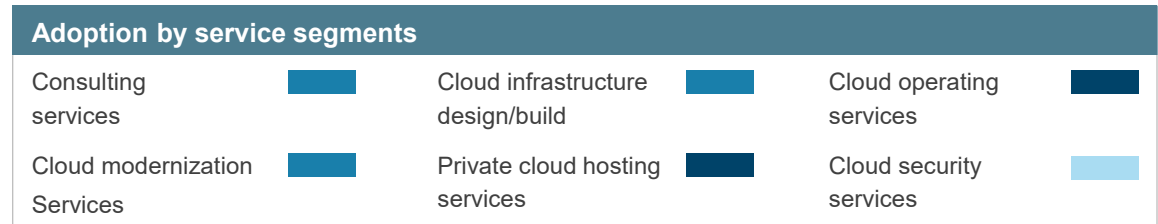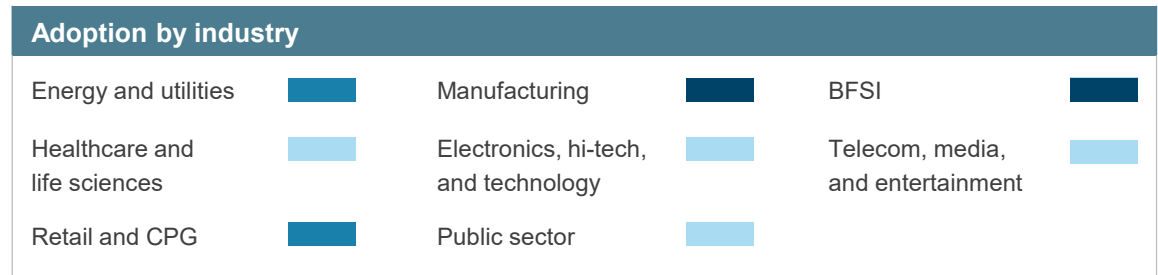## Overview

Vision

DXC Technology's vision is to help large enterprises achieve their business objectives using technology. DXC's Cloud Right™ approach aims to guide customers to make the right investments at the right time on the right platforms. DXC aims to maximize returns on clients' technology investments and help them drive innovation, increase customer loyalty, and grow their business. Be it on-premises, public, or private clouds, DXC aims to help customers choose the right applications to modernize to cloud, maximize use of data, and ensure security by design. It aims to support its clients to run and maintain their mission-critical systems while building for the future and unlocking value across the entire IT estate.

Cloud services revenue (2020)

<US$200 million	US$200-500 million	US$500 million-US$1 billion	>US$1 billion

	Low (<10%)	Medium (10-20%)	High (>20%)

Adoption by buyer group

Small (annual revenue < US$1 billion)	Medium (annual revenue = US$1-5 billion)	Large (annual revenue > US$5 billion)

Adoption by industry

Energy and utilities		Manufacturing		BFSI	
Healthcare and life sciences		Electronics, hi-tech, and technology		Telecom, media, and entertainment	
Retail and CPG		Public sector			

Adoption by service segments

Consulting services		Cloud infrastructure design/build		Cloud operating services	
Cloud modernization Services		Private cloud hosting services		Cloud security services	

Adoption by country

	Low (<15%)	Medium (15-40%)	High (>40%)

United States		Canada		Mexico	

Source: Everest Group (2021).

DXC Technology | cloud services profile – North America (page 3 of 6)
Case studies

Case study 1	Optimization of IT infrastructure

Client: DreamWorks Animation

Business challenge
- The client needed to optimize IT infrastructure, enhance business continuity, and protect intellectual property
- It needed to further develop flexible tools to give artists access to data when and how they needed it
- It required to enhance remote team productivity with virtual high-powered workstations

Solution
- Incorporated a cloud-native approach into their on-premises datacenter
- DXC continued to evolve the client's Linux-based datacenter environment through virtualization and microservices, Site Reliability Engineering (SRE), IT security design, and penetration testing, advancing its plans to move to a modern, more agile operating model

Impact
- DreamWorks was able to dramatically scale production capabilities, particularly digital resources, which provided added capacity to take on new projects
- Was able to increase agility to resume production during COVID-19 stay-at-home orders

Case study 2	Infrastructure modernization to improve scalability and agility

Client: GoldenSource

Business challenge
- Modernize deployment model from on-premises and private cloud to public cloud
- Improve application scalability to allow for expanded product offerings
- Increase the ability to offer on-demand application management and hosting to new and existing customers

Solution
- Developed a robust SaaS solution powered by AWS cloud
- Used DXC cloud migration services to implement proof-of-concept project to move a key application to the AWS cloud
- Provided consulting services by partners such as AWS, Luxoft, and Excelian

Impact
- Increased scalability with lower operating and licensing costs
- Improved the ability to offer on-demand application management and hosting services
- Enhanced computing environment to support new ways of working, including DevOps and containerization

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DXC Technology | cloud services profile – North America (page 4 of 6)
Solutions/IPs/products

Partnerships (representative list)	
Partner name	**Details**
DXC Platform X	DXC Platform X is a data-driven intelligent automation platform that enables customers to accelerate their journey to resilient, self-healing IT across their entire IT estate, including DXC mainframes. The platform empowers IT teams to detect and resolve issues quickly, and automatically predict and prevent future problems before they happen.
Banking platform	DXC's multi-tenant, multi-cloud, hybrid cloud-ready banking platform offers runtime, monitoring, management, data, security, regulatory, and DevOps services to onboard client software and internal DXC assets to run them reliably and securely in the cloud or on-premise.
Modernization director	A tool to enhance and promote planning, tracking, visibility, and governance of large-scale modernization programs to rationalize, modernize, and optimize mission-critical applications portfolio and IT estate.
Modernization decision accelerator	Rules-based assessment of IT assets to determine modernization targets and treatments to reduce complexity and risk.
Economic Value Management(EVM)	Solution for business case modelling and reporting to support modernization investment to help customers make the right technology investments at the right time in the right platforms.
PaaS for SAP	PaaS for SAP facilitates enterprises to adapt to business demands, reduce time to perform common SAP operational processes, lower total cost of ownership, and enable continuous operations. With the solution, DXC provides a full-stack managed platform that operates and manages SAP environments in a hybrid fashion across AWS, Azure, GCP, and private cloud, enabling on-demand capacity and high-availability SLAs for both business applications and infrastructure.
DXC Assure digital insurance platform	DXC Assure is an AWS-based digital platform, which is designed and positioned to be a single point of integration and coordination across the value chain, and foundation for other products. It can also be used without the core solutions. As an open, RESTful, API-based platform, it can support integration with Salesforce, SAP, Guidewire, and other API-exposed applications.
Quick Transformation Engine (QTE)	QTE is a proprietary, patented, and automated conversion tool that takes applications written in legacy languages such as COBOL, RPG, JCL, and CICS and converts them to Java technology components, and the resultant code is highly maintainable and complies with the latest Java specifications.

DXC Technology | cloud services profile – North America (page 5 of 6)
Partnerships

Partnerships (representative list)	
Partner name	**Details**
Microsoft	Strategic partnership over 30 years with over 20,000 cloud and application professionals. DXC and Microsoft are continuously investing to provide enhanced service management by transforming clients from traditional IT models to the cloud. It supports and jointly develops solutions across Microsoft's entire portfolio including Azure, Workplace, Dynamics, and business applications.
AWS	AWS premier consulting and MSP partner with a global AWS practice and portfolio of business solutions across the enterprise technology stack. It has accreditations across various strategic AWS programs and competencies, global delivery capabilities, and has dedicated AWS resources for DXC to amplify partner collaboration within each region.
VMware	A premier tier partner with VMware, DXC has developed IT solutions that leverage VMware technologies to modernize datacenters, integrate public clouds, modernize apps, empower digital workspace, and transform security.
Google	Premier partnership with GCP since 2018 enables enterprise customers to take advantage of GCP's reliability, network, and uptime performance in order to modernize mission-critical IT and integrate digital solutions.
IBM Cloud	DXC is one of IBM's longest standing Global System Integrator partners. DXC and IBM address clients' key IT challenges, from adopting new technology and adapting legacy systems, to modernizing applications and data transformation.
Oracle	For over 30 years, DXC Technology and Oracle have provided technology leadership to customers looking to achieve business outcomes such as increased agility, modernization, global scalability, and deeper business insights. DXC helps customers leverage Oracle's SaaS applications, integrated cloud platform portfolio, and PaaS enablers, all engineered to run on Oracle's IaaS platform.
HPE	Partnering with HPE, DXC provides a complete edge-to-cloud computing solution that can be deployed in a hybrid cloud model with advanced management of the entire infrastructure employing analytics. HPE provides much of the infrastructure for DXC's Virtual Private Cloud (VPC) platform, which is aimed at providing a secure path for migrating on-premise apps and data for clients.
Micro Focus	The partnership allows customers to discover, analyze, automate, develop/modernize, test, cloud enable, manage, and transform to secure the modern integrated enterprise
ServiceNow	The partnership delivers IT modernization, operational resilience, and managed services transformations through Information Technology eXtended (ITX) digital workflows integrated with DXC's Cloud Right strategy.
SAP	DXC engages with SAP to develop industry-specific solutions for banking and insurance, public sector, and Demand-driven Material Requirements Planning (DDMRP). DXC also collaborates on the SAP Move program and SAP Cloud Platform. In addition, DXC has created a S/4HANA accelerated migration factory that is an SAP qualified solution targeted to serve mid-market customers.
RedHat	Delivers open-source solutions at scale on Red Hat, connecting and integrating data, devices & applications across the enterprise to build a unified and integrated hybrid cloud.
Dell EMC	Global partnership with Dell, provides primary solution paired with VMware for on-premise cloud solutions.

DXC Technology | cloud services profile – North America (page 6 of 6)
## Investments, and recent activities

Partnerships (representative list)	
Partner name	**Details**
Acquisitions	• Luxoft, a digital strategy and software engineering firm using technology to enable business transformation, enhance customer experiences, and boost operational efficiency through its strategy, consulting, and engineering services. Luxoft combines its engineering excellence and deep industry expertise to offer services in automotive, financial services, travel & hospitality, healthcare, life sciences, media, and telecommunications • Virtual Clarity, a leading provider of IT-as-a-Service (ITaaS) transformation advisory services with extensive experience in solving large scale IT modernization and application migration challenges. The acquisition positioned DXC as a leading provider of IT modernization services for applications and infrastructure, also strengthens DXC's ability to assess, design, and manage transformations to cloud
Innovation using next-generation technologies	Using analytics to improve customer experience and improve outcomes. In healthcare, DXC data scientists studied and compared hospital length-of-stays before and after knee and hip operations, for which they used an open, cloud-based analytics platform to detect patterns. The platform used ML technologies to find causality for variations.
Trainings and certifications	Investments in programs to support training and certifications in Microsoft, AWS, SAP, Google, Dell, Oracle, and VMware.
Industry cloud investments	Industry-specific investments include: • Invitationals to assess and compete InsureTechs, FinTechs, HealthTechs, and the general category of "NewTech,", that are held regionally across the globe • DXC Luxoft collaborates with Amazon Web Services to accelerate the autonomous driving industry with DXC Luxoft's Robotic Drive Cloud offering on AWS. The Robotic Drive tooling and services, available and in use today, provides reduced development and test times with a decent total cost of ownership to customers building autonomous driving systems • DXC and Microsoft created a secure Microsoft DXC Azure service for healthcare to enable clients to securely and quickly embrace public cloud by removing complexity and risk, and by helping to ensure that applications and data are protected and operated 24x7
DXC thought leadership and innovation via Leading Edge Forum(LEF) think tank	Helps clients challenge conventional assumptions with original, future-focused thinking. LEF's program of progressive research and thought leadership, next-practice advisory interventions, and immersive events augment clients' capabilities for horizon-scanning and sense-making and helps some of the world's leading organizations accelerate the business outcomes of technology-enabled change.
Global Delivery Centers (GIDCs) & Mainframe migration	Invested in multiple global delivery centers to support AWS, Azure, and GCP competencies. Invested in AWS and Azure Mainframe Modernization competency, as well as in migration to cloud with AWS and Azure as primary destinations.

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Appendix

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability

Everest Group PEAK Matrix®
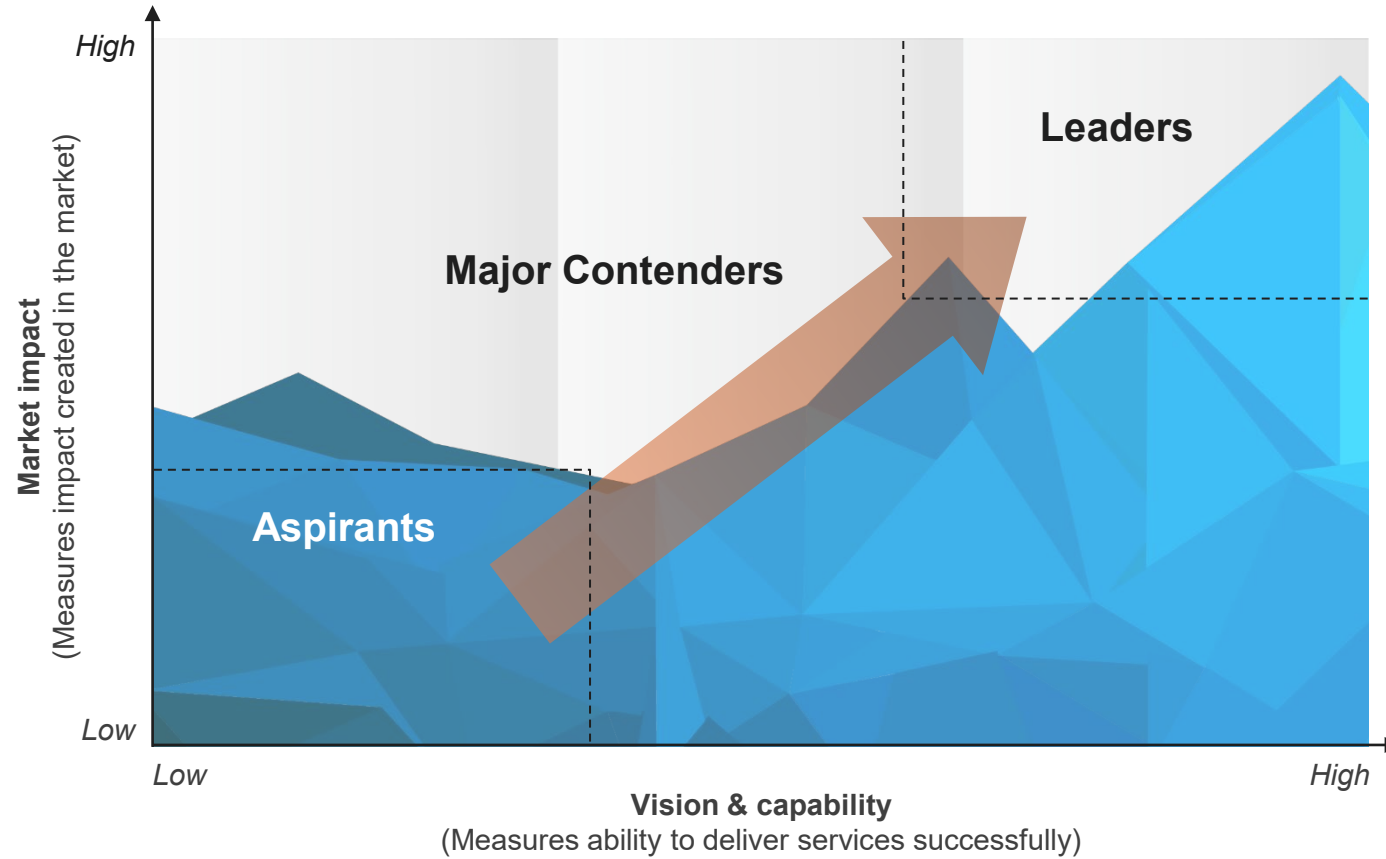
Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption
Number of clients, revenue base, YOY growth, and deal value/volume

Portfolio mix
Diversity of client/revenue base across geographies and type of engagements

Value delivered
Value delivered to the client based on customer feedback and transformational impact

Market impact

Leaders

Major Contenders

Aspirants

Vision & capability
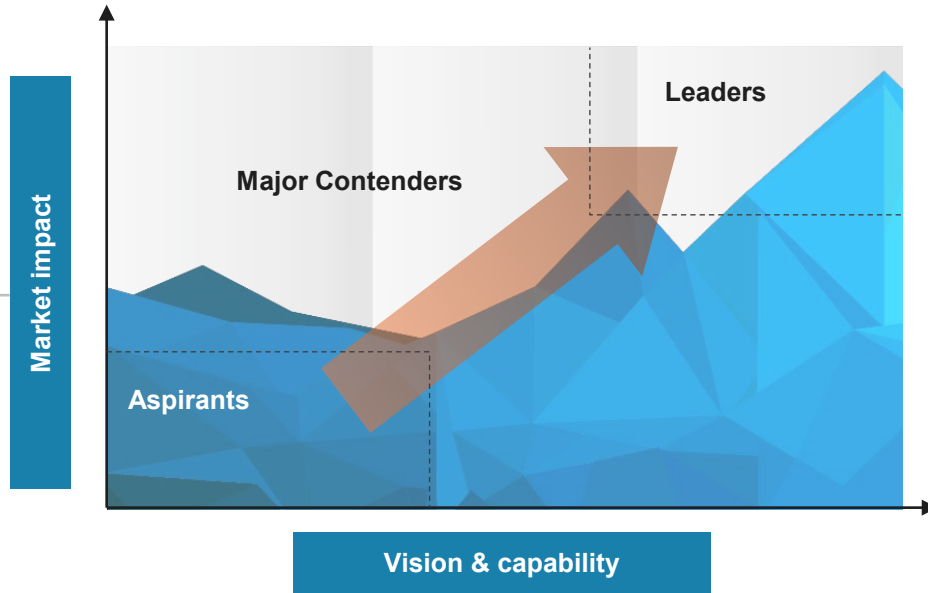
Measures ability to deliver services successfully. This is captured through four subdimensions

Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint
Vision for the client and itself; future roadmap and strategy	Depth and breadth of services portfolio across service subsegments/processes	Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.	Delivery footprint and global sourcing mix

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?
Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

Is being a "Major Contender" or "Aspirant" on the PEAK Matrix, an unfavorable outcome?
No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the "PEAK Matrix position"?
A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a "Leader", "Major Contender," or "Aspirant" title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?
- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own "profile" that is published by Everest Group as part of the "compendium of PEAK Matrix providers" profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or "Star Performer" status ?
- Providers/vendors can use their PEAK Matrix positioning or "Star Performer" rating in multiple ways including:
  – Issue a press release declaring their positioning. See citation policies
  – Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
  – Quotes from Everest Group analysts could be disseminated to the media
  – Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?
PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises

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With you on the journey

Everest Group is a research firm focused on strategic IT, business services, engineering services, and sourcing. Our research also covers the technologies that power those processes and functions and the related talent trends and strategies. Our clients include leading global companies, service and technology providers, and investors. Clients use our services to guide their journeys to maximize operational and financial performance, transform experiences, and realize high-impact business outcomes. Details and in-depth content are available at **www.everestgrp.com**.

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